

YE11

COFRS ACCOUNTING MODEL

Eliminate Retirement of Indebtedness Fund

Additions and Deductions in Plant Subfunds

Traditional audit guide accounting for retirement of indebtedness (ROI) requires ROI fund deductions to be recorded in the ROI plant fund with an equal amount of ROI fund addition recorded in the Investment in Plant fund when the debt principle is reduced.

This entry is required to eliminate retirement of indebtedness (ROI) fund additions and deductions that are fed as separate amounts to COFRS fund 371 from the institutional system.

This entry is not necessary if the ROI activity is eliminated during the feed process and the required result is achieved during normal reporting throughout the year.

This presentation must be achieved at fiscal year-end.

Authoritative Source(s): The Higher Education Financial Advisory Committee (FAC)

GASB Statements No. 34 and 35

AICPA College Audit Guide

NACUBO Farm Manual

| COFRS JOURNAL ENTRY CODING | | | | | | | | | |
|---|--|---------|---------|----------|-------------|----------|----|---------|---------|
| BankCode | Fund/Agency | APPR | Program | AcctType | BSA/RSC/OBJ | RptngCat | DR | CR | |
| Record additions and deductions throughout the year. | | | | | | | | | |
| 1 | Exempt Plant Fund Nonappropriated Expenditures Retirement of Indebtedness Expenditure Bond/Note Principal | 371/GXX | NAP | 4200 | 22 | 6710 | | \$6,000 | |
| 2 | Exempt Plant Fund Not used with Balance Sheet Accounts Asset Cash with State Treasury | 371/GXX | XXX | XXX | 01 | 1100 | | | \$6,000 |
| 3 | Exempt Plant Fund Not used with Balance Sheet Accounts Liability Bonds Payable | 371/GXX | XXX | XXX | 02 | 2320 | | \$6,000 | |
| 4 | Exempt Plant Fund Nonappropriated Expenditures Retirement of Indebtedness Revenue ROI Elimination Account | 371/GXX | NAP | 4200 | 31 | ABGN | | | \$6,000 |
| Year-End Entry to Eliminate ROI | | | | | | | | | |
| Necessary only to eliminate ROI fund additions/revenues and deductions/expenses that have been recorded separately | | | | | | | | | |
| 5 | Financial Presentation Fund Nonappropriated Expenditure Retirement of Indebtedness Revenue ROI Elimination Account | 399/GXX | NAP | 4200 | 31 | ABGN | | \$6,000 | |
| 6 | Financial Presentation Fund Nonappropriated Expenditure Retirement of Indebtedness Expenditure Bond/Note Principal | 399/GXX | NAP | 4200 | 22 | 6710 | | | \$6,000 |